

Subpart A—Rural Housing Asset Sales

§ 1957.1 General.

Pursuant to the Omnibus Budget Reconciliation Act of 1986, Public Law 99–509, the Rural Housing Service (RHS) sold certain of the portfolio of loans made under section 502 of the Housing Act of 1949 to the Rural Housing Trust, 1987–1. The sale was without recourse to RHS except for certain provisions providing for RHS's payment of interest credit amounts and agreement to compensate the Rural Housing Trust 1987–1 for future cash flow changes due to revised borrowers rights as set forth in RHS regulations. The sale documents to Rural Housing Trust 1987–1 recognize that the RHS loans were assigned subject to rights provided to these borrowers under documentation to recognize the rights of RHS borrowers under regulations of RHS as they may exist from time to time and to service the loans in accordance with then current RHS regulations. In addition, as provided in § 1957.6 of this subpart, RHS has retained review, but not hearing authority under the RHS Appeal Procedure, 7 CFR part 1900, Subpart B. Failure of private servicers to comply with RHS regulations in servicing loans sold to the Rural Housing Trust 1987–1 may be redressed in the review process under the Appeal Procedure.

§ 1957.2 Transfer with assumptions.

RHS regulations governing transfers and assumptions will not apply to these loans. Individuals who what to purchase property securing a loan held by the Rural Housing Trust 1987–1, and who are eligible for an RHS § 502 loan will be given the same priority by RHS as a transferee of a § 502 loan if the property is then suitable for the RHS RH program and is located in an eligible area. The Master Servicer of the Rural Housing Trust, 1987–1, may permit an assumption if it is deemed by the Master Servicer to be in the financial interest of the Trust, but in such case the transferee would not be eligible for RHS loan servicing benefits under RHS regulations.

§ 1957.3 [Reserved]

§ 1957.4 Graduation.

Borrowers will not be required to graduate to other credit.

§ 1957.5 [Reserved]

§ 1957.6 Appeal reviews.

The Master Servicer, acting through its subservicer, will have the responsibility to conduct hearings under the appeal process. Final review of an adverse decision upheld under the appeal process will remain with RHS and be conducted by the Agency's National Appeal Staff, Washington, DC, under the RHS Appeal Procedures, 7 CFR part 1900, subpart B. This review is final and will conclude the appellant's administrative appeal process.

§§ 1957.7–1957.50 [Reserved]

PART 1962—PERSONAL PROPERTY

Subpart A—Servicing and Liquidation of Chattel Security

Sec.

- 1962.1 Purpose.
- 1962.2 Policy.
- 1962.3 Authorities and responsibilities.
- 1962.4 Definitions.
- 1962.5 [Reserved]
- 1962.6 Liens and assignments on chattel property.
- 1962.7 Securing unpaid balances on unsecured loans.
- 1962.8 Liens on real estate for additional security.
- 1962.9–1962.12 [Reserved]
- 1962.13 Notification to potential purchasers.
- 1962.14 Account and security information in UCC cases.
- 1962.15 [Reserved]
- 1962.16 Accounting by County Supervisor.
- 1962.17 Disposal of chattel security, use of proceeds and release of lien.
- 1962.18 Unapproved disposition of chattel security.
- 1962.19 Claims against Commodity Credit Corporation (CCC).
- 1962.20–1962.25 [Reserved]
- 1962.26 Correcting errors in security instruments.
- 1962.27 Termination or satisfaction of chattel security instruments.
- 1962.28 [Reserved]
- 1962.29 Payment of fees and insurance premiums.
- 1962.30 Subordination and waiver of liens of chattel security.